

**AMENDMENT TO THE COMMITTEE PRINT**  
**OFFERED BY MR. TOWNS**

**[Unitary thrift holding companies]**

Strike section 401 and insert the following (and conform the table of contents accordingly):

1 **SEC. 401. PROHIBITION ON NEW UNITARY SAVINGS AND**  
2 **LOAN HOLDING COMPANIES.**

3 (a) IN GENERAL.—Section 10(c) of the Home Own-  
4 ers' Loan Act (12 U.S.C. 1467a(c)) is amended by adding  
5 at the end the following new paragraph:

6 “(9) TERMINATION OF EXPANDED POWERS FOR  
7 NEW UNITARY HOLDING COMPANY.—

8 “(A) IN GENERAL.—Subject to subpara-  
9 graph (B) and notwithstanding paragraph (3),  
10 no company may directly or indirectly, includ-  
11 ing through any merger, consolidation, or other  
12 type of business combination, acquire control of  
13 a savings association after May 31, 1999, un-  
14 less the company is engaged, directly or indi-  
15 rectly (including through a subsidiary other

1 than a savings association), only in activities  
2 that are permitted—

3 “(i) under paragraph (1)(C) or (2); or

4 “(ii) for financial holding companies  
5 under section 6(c) of the Bank Holding  
6 Company Act of 1956.

7 “(B) EXISTING UNITARY HOLDING COMPA-  
8 NIES AND THE SUCCESSORS TO SUCH COMPA-  
9 NIES.—Subparagraph (A) shall not apply, and  
10 paragraph (3) shall continue to apply, to a com-  
11 pany (or any subsidiary of such company)  
12 that—

13 “(i) either—

14 “(I) acquired 1 or more savings  
15 associations described in paragraph  
16 (3) pursuant to applications at least 1  
17 of which was filed on or before May  
18 31, 1999; or

19 “(II) became a savings and loan  
20 holding company by acquiring control  
21 of the company described in subclause  
22 (I); and

23 “(ii) continues to control the savings  
24 association referred to in clause (i)(II) or

1                   the successor to any such savings associa-  
2                   tion.”.

3           (b) TECHNICAL AND CONFORMING AMENDMENT.—  
4 Section 10(c)(3) of the Home Owners’ Loan Act (12  
5 U.S.C. 1467a(c)(3)) is amended by striking “Notwith-  
6 standing” and inserting “Except as provided in paragraph  
7 (9) and notwithstanding”.

8           (c) CONFORMING AMENDMENT.—Section 10(o)(5) of  
9 the Home Owners’ Loan Act (12 U.S.C. 1467a(o)(5)) is  
10 amended—

11           (1) in subparagraph (E), by striking “, except  
12           subparagraph (B)”;

13           (2) by adding at the end the following new sub-  
14           paragraph:

15                   “(F) In the case of a mutual holding com-  
16           pany which is a savings and loan holding com-  
17           pany described in subsection (c)(3), engaging in  
18           the activities permitted for financial holding  
19           companies under section 6(c) of the Bank Hold-  
20           ing Company Act of 1956.”.